



## NOTICE TO CORRESPONDENTS

This department of The Guide is maintained especially for the purpose of providing a discussion ground for the readers where they may freely exchange views and derive from each other the benefits of experience and helpful suggestions. Each correspondent should remember that there are hundreds who wish to discuss a problem or offer suggestions. We cannot publish all the immense number of letters received, and ask that each correspondent will keep his letter as short as possible. Every letter must be signed by the name of the writer, though not necessarily for publication. The views of our correspondents are not of necessity those of The Guide. The aim is to make this department of great value to readers, and no letters not of public interest will be published.

## CAPITAL AND UNEARNED INCREMENT

Editor, Guide:—In sending the following on "Capital and Unearned Increment," kindly allow me space also for a few words to my friendly critics. I notice that Mr. Lamb is not well acquainted with Prof. Huxley's writings, and whether land is called "wealth" or not is immaterial as long as it is used as such. Mayor Tom L. Johnson seems to have mistrusted his own reasoning powers, and unluckily paid a lawyer, not to find the slightest weakness in "Henry George's" statements. Any lawyer could do that. If a pair of boots is worth \$2 and the charge is \$4, is there no unearned increment? I thank my friend, Mr. Brothers, for allowing that Henry George is capitalistic (and if so monopolistic) and for making the most astonishing admission, that a mortgagee (owner of a mortgage) is to be treated the same as a landowner under the Single Tax System and to be taxed out of existence. But how, then, is the capitalist to have the "full return of his capital" (Chapter 1, Book 9, Progress and Poverty) and what becomes of the principle struggled for in that wonderfully fallacious chapter 3, Book 3? Surely Henry George would be indignant at his disciple.

A little while ago I used substantially the following statement—95 per cent. of the farms around Battleford are mortgaged and 85 per cent. of the farms in all Saskatchewan are mortgaged. I cannot vouch for the truth of that but the very thought of its truth is enough to make one think seriously, and when we add to this the municipal mortgages and the provincial mortgages (besides the Dominion) growing all of them, it is evident the burden of interest borne by Saskatchewan is, to say the least, heavy. And the thing grows. The settler gets his land almost free, as far as cash payments are concerned, but no matter how honest and capable he may be, and no matter how certain his farming operations are of success, unless he has accumulated capital of his own, it will be hard, uphill toil and, ten to one, sooner or later, he will be a prey to the private capitalist.

It seems to me that the lesson this teaches, is that to have free land for the masses, without at the same time assuring them of proportionate amount of capital for its working, is but playing into the hands of the money lender. And it follows, farther, that the nationalization of land, without at least, a partial nationalization of capital could by no means secure that more equal distribution of wealth, which is the aim of the social reformers' work. So long as the money issuing power is a monopoly (based on past savings), so long will extortionate rates of interest be charged and the worker kept poor. Certainly there should be no love lost between the worker and private capital, and it is this institution which deserves the contempt and Christian reproach of all classes of workers. Private capital with its interest drawing power, is the curse of modern civilization. It is this which helps men to monopolize the wealth making opportunities—speculations in land, forests, mines, railroads, etc., and it possesses all the evil features of land monopoly, with one added—the power of indefinite increase. That is the reason why private ownership of capital with interest drawing power looks so innocent as compared with private ownership of land, but who can tell how interest might be were the supplies of capital limited as is that of land. The "unearned increment" of limited capital

would be the same as that of limited land. No matter where the worker goes, this bird of prey (welcomed and yet feared) follows him with outstretched wings, and in their growing shadow grasps with talons merciless some share of wealth unearned, and apparently for every addition to our population a certain increase of capital takes place to play on it and its labor, the part of a parasite.

And, Mr. Editor, the whole of the earnings of by far the greater part of so-called capital is as much "unearned increment" as is the rent of land (taking unearned increment to mean that portion of the value of a thing, which is owing exclusively to the existence of a community). The mortgagees of the people of Saskatchewan are altogether dependent on these people for the value of their capital, and without them it might as well be dropped into the sea or buried in the earth. All surplus produce, or profits or earnings are subject in any community to this law of the unearned increment, and when used to appropriate a share of the community's wealth (as long as Adam Smith's first canon of taxation is held to be proper—see Progress and Poverty, Chap. 3, Book 8), should be deservedly taxed.

JOHN R. SYMONDS.

Pense, Sask.

## FAIR PLAY FOR FARMERS

Editor, Guide:—Farmers of the West, do you like doing all the hard work and taking all the risks in developing this country while speculators make a much greater and more rapid profit than you do without risks or labor by the rapid rise in land values, especially in towns, owing to your work? Do you approve of the policy of the Hudson Bay Company and other land companies holding their land adjoining yours for the rise in value which you give it? Do you not know that every day of your work, your anxious hours of hail, frost, or drought, every cent you spend, go to improve the value of the lands of land companies and speculators, who "toil not nor spin" but fatten on your sweat? They use your roads, made by your taxes, for their motor cars to take purchasers to see their lands. If you are not content with this state of things, know for certain that you have a sure remedy in the single tax, or taxation of land values (not land), when these speculators will have to pay for the increased value you give to their lands, while all your improvements will be untaxed. At present Vancouver, Edmonton and other towns are adopting the single tax, but only so far for their own municipal purposes. When the single tax is the one and only tax in the whole country, all the duties being taken off everything you use under free trade, the enormous increase in value of town property will provide a considerable proportion of the revenue required to run the country, and farmers' taxes will be comparatively light. It is you, farmers, who are building up the towns and cities and creating these enormous boom-prices we hear of; but what benefit do you get from them at present? The speculator in these towns, many of whom get rich in a day, use the roads you make for them and boost the crops they do not grow, but under the single tax you farmers will get a fairer share of the prosperity created by your labor and of the city values which you create. What public improvements might be made in towns and country, how our resources might be developed, what a wonderful country we should have if a fair share of the enormous increase

of value in land, and town lots especially, belonged to the public who created them! This will be so whenever you insist on it. For information about the single tax, write to the League for Taxation of Land Values, 239 Chambers of Commerce, Winnipeg. I am sure they will help you.

One of you,  
FAIRPLAY.

Alberta.

## RAILWAY ACT AMENDMENTS

Editor, Guide:—In the Saskatchewan section of the issue of September 20, the president of the Saltcoats branch asks what the council of agriculture have done re having the Railway Act amended. The reply by Mr. Green was, "nothing."

I cannot allow this to go uncontradicted. I can only conclude that Mr. Green's reply was given because of his lack of knowledge of the subject, for to say that the council has done nothing is positively untrue. After persistent efforts on the part of the council, the minister of railways was finally induced to submit to Parliament an amendment which would compel the railway companies to fence their right-of-way and pay for stock injured. After having fought it out with the representatives of the railways in the presence of the ministers, the officers of the council convinced the ministers that their claims were just. At his suggestion, with which we agreed, the chairman of the railway board, Judge Mabey, was requested to draft an amendment along the lines we advocated. We believe that with his full knowledge of the subject no other man in Canada is so well qualified to draft a clear, concise and just law covering the matter as is Judge Mabey. To make this doubly secure in a legal sense, the services of one of the first lawyers in the Dominion were secured to criticize and pass upon it.

Now as to what the draft amendment is. A part of section 254 of the existing law (which exempts the company from fencing their right-of-way unless compelled to do so by the railway commission, after complaint has been made by aggrieved parties) is repealed. The draft compels the company to fence their right-of-way in all cases except where the board gives special permission not to do so after all interested parties are satisfied. It also enacts that where railways are under construction the company shall be compelled to take effective measures to prevent animals escaping from or to such enclosed lands—something they are not now compelled to do only under special order.

Sections 294 and 295, which Mr. Green quotes in the same issue and which are the cause of the company being able to evade payment for the thousands of animals killed are under the amendment also repealed and the following simple and effective clause substituted:

"The company shall be liable to pay the full value thereof to the owners of all horses, sheep, swine or other cattle that may be killed or injured upon the company's lands, through the operation of the railway."

The only qualification or exception to this being that where such killing or injury is caused by reason of the animals being allowed to go on the railway from open private crossings, without anyone in charge. Or in cases where someone has taken down the fences and deliberately turned the animals on the railway. Or at railway station grounds where the track is unguarded for the convenience of the public.

Now as to what the Council did with these amendments. Copies were printed and distributed among the members of the House, together with the following circular letter:

"Dear Sir:—In response to the request of the farmers for amendments to the Railway Act, giving them more protection from loss in having stock killed on railways the Hon. Mr. Graham, minister of railways and canals, has caused the enclosed draft amendments to be made to be submitted to Parliament. The clauses as amended in this form meet with our approval and as representing the farmers, I wish respectfully to enlist your support in having them become law."

Yours faithfully,

"JAMES BOWER."

Pres., Canadian Council of Agriculture.

These amendments came before the House together with several other amendments to the Railway Act on the 17th and 18th of May, being the last day before the adjournment for coronation. They were bitterly opposed by Mr. Lancaster, the father of the present ambiguous law,

which is useful only in giving the company power to do as they like, and by Mr. Meighen, of Portage, who was the father of a draft amendment which we rejected and which only made the present complicated law more complicated and litigious than before. Very useful to the lawyers, but utterly useless to the farmer who wants compensation for his stock. These men so succeeded in blocking the amendment that being the last day of the session, and in order to get the rest of the amendments not objected to, passed, the minister was forced to withhold our amendments until the House would meet again. As to how it will be now, we can only wait the result, but the situation is this. Mr. Borden, in his western tour, replying to the farmers' requests that the amendments be made law, said that he had full confidence in Mr. Lancaster who opposed it, and as Mr. Lancaster in his opposition took pains to denounce in most unmeasured and scurrilous terms the farmers who demanded it, and Judge Mabey who drafted it; and as Mr. Lancaster is still there to dictate while Mr. Graham and its supporters have been defeated, it is hardly likely that the Canadian Council of Agriculture will be powerful enough to carry it into immediate effect. If Mr. Green, who is a member of our council, can lend any assistance to that body it will be gladly welcomed. His statement that it was a mistake to disband the interprovincial council is no doubt his own personal opinion, for if it is authorized by his provincial executive, the council has had no notice of it. He may be quite right, and no doubt many will agree with him, but without expressing any opinion on it, here I would remind Mr. Green and others interested that the powers of the interprovincial council are not in any way curtailed by being merged in the national council, because any three provinces can call a meeting or take any action.

So that the Western Provinces enjoy precisely the same privilege of action as before. If the council, either interprovincial or national, is to be a force for good it should not be necessary to protect its actions from such unthinking criticism as indulged in by Mr. Green.

JAMES BOWER.

Red Deer, Alta., Sept. 23, '11

## A PROTEST

Editor, Guide:—I have been a member of the Grain Growers' association at Saskatoon almost since its inception and have, I believe, on every occasion been true to its principles and tenets. I was a delegate to Ottawa last winter who paid my own expenses, and also have been a Conservative all my life. I am not writing this to justify my course during the late election to you or to any one else, but simply to try to prove to you where you erred and where you and a great number of Liberal Grain Growers made a grievous mistake in the campaign you so vigorously waged against Borden during the late election. I had intended addressing a protest to you more than once previous to September 21, but concluded that I would only be relegated to the region of knockers to be dubbed partisan, party slave and the rest of choice epithets applied, such as you journalists keep in stock for such occasions. Here was my stand during the whole controversy: I am in favor of the Grain Growers' propaganda in its entirety, in favor of what is usually called reciprocity when the main object is the reduction of duty on articles necessary to farm life, and I still hold the same tenets just as strongly. But you know, just as well as does every member of that delegation that went to Ottawa, that at our caucus meeting held the day previous to our presentation to the Laurier government we, as Grain Growers, resolved unanimously that we could not consistently ask a reduction in tariff on articles we had to buy so long as we were protected in articles we had to sell. Therefore that convention resolved to forego all protection in natural products of the soil provided we got a substantial reduction on articles we had to buy, such as farm implements, manufactured goods used and required in our business. Is not this correct to the letter? And so we presented our case to Laurier as regards the tariff, together with our stand on terminal elevators, Hudson's Bay railroad, cold storage facilities, British preference, etc. Now, after due consideration, what did the government offer us? Simply and almost only that which we ourselves offered to forego, viz., abolition of our own protection and a trifling 2½ per cent. reduction in certain implements which you